

**SPECIAL MINUTES OF THE JOINT CITY COUNCIL  
SAN JOSÉ FINANCING AUTHORITY**

**SAN JOSÉ, CALIFORNIA**

**FRIDAY, FEBRUARY 15, 2008**

The Council of the City of San José convened in Special Session at 9:04 a.m. in the Council Chambers at City Hall.

Present: Council Members - Chirco, Chu, Constant, Cortese, Liccardo, Nguyen, Oliverio, Pyle, Williams; Reed.

Absent: Council Members - Campos. (Excused)

**(1) Possible Actions Related to Variable Rate Bonds.**

- (a) Consideration of and possible action on a proposed amendment to the Remarketing Agreement by and among the City of San José, the City of San José Financing Authority and J.P. Morgan Securities, Inc. (“Remarketing Agent”) related to the City of San José Financing Authority Lease Revenue Bonds, Series 2005B to restrict the ability of the City and the Authority to remove the Remarketing Agent under certain circumstances.**
- (b) Adoption of a resolution of the City of San José Financing Authority Board (“Board”) to authorize the Executive Director or the Executive Director’s authorized designee, through March 10, 2008, to take various actions with respect to the Authority’s outstanding variable rate debt without further action of the Board when the Executive Director determines it would be prudent to do so.**
- (c) Adoption of a resolution of the City Council to authorize the City Manager or the City Manager’s authorized designee, through March 10, 2008, to take various actions with respect to the outstanding variable rate debt of the City or the Authority without further action of the City Council when the City Manager determines it would be prudent to do so.**

Documents Filed: (1) Notice of Call of Special Joint Meeting, dated February 14, 2008, signed by Mayor Reed. (2) Memorandum from Director of Finance Scott Johnson, dated February 14, 2008, regarding possible actions related to variable bonds on a proposed amendment to the Remarketing Agreement by and among the City of San José, the City of San José Financing Authority and J.P. Morgan Securities, Inc. and adoption of resolutions.

Director of Finance Scott Johnson summarized the Staff Report, including the possible actions related to variable rate bonds and clarified that Staff recommends Council decline the proposal from J.P. Morgan Securities, Inc.

Council Member Nguyen arrived at 9:06 a.m. and Vice Mayor Cortese arrived at 9:12 a.m.

Council Member Liccardo requested Staff circulate an information memorandum to Council once the response from Bank of America is received about the 60 day extension of the lowest interest on the bond. Mayor Reed requested that Staff provide interim reports to Council via the City Manager's Weekly Report.

Action: Upon motion by Council Member Chirco, seconded by Council Member Oliverio and carried unanimously, the proposal from J.P. Morgan Securities, Inc. was declined; San José Financing Resolution No. 76, entitled: "A Resolution of the Council of the City of San José Financing Authority to Authorize the Executive Director or the Executive Director's Authorized Designee, Through March 10, 2008, to Take Various Actions with Respect to Outstanding Variable Rate Debt of the San José Financing Authority Without Further Action of the Governing Board When the Executive Director Determines it Would be Prudent To Do So", and Resolution No. 74237, entitled: "A Resolution of the Council of the City of San José to Authorize the City Manager or the City Manager's Authorized Designee, Through March 10, 2008, to Take Various Actions with Respect to Outstanding Variable Rate Debt of the City or the San José Financing Authority Without Further Action of the City Council When the City Manager Determines it Would be Prudent To Do So", were adopted, and Staff was directed to provide interim reports to Council via the City Manager's Weekly Report, at minimum. Staff was requested to provide an information memorandum to Council upon receipt of the response from Bank of America about the 60 day extension of the lowest interest on the bond. (10-0-1. Absent: Campos.)

## **ADJOURNMENT**

The Council of the City of San José adjourned the Special Joint/San José Financing Authority Meeting at 9:53 a.m.

Minutes Recorded, Prepared and Respectfully Submitted by,

Lee Price, MMC  
City Clerk

smd/2-15-08 MIN

Access the video, the agenda and related reports for this meeting by visiting the City's website at <http://www.sanjoseca.gov/clerk/agenda.asp> or <http://www.sanjoseca.gov/clerk/MeetingArchive.asp>. For information on any ordinance that is not hyperlinked to this document, please contact the Office of the City Clerk at (408) 535-1266.